

**A RESOLUTION**

**03- R -1673**

**BY TRANSPORTATION COMMITTEE**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH FIRST AMERICAN TRUST, COVERING THE LEASING TO THE CITY OF APPROXIMATELY 12,390 RENTABLE SQUARE FEET OF OFFICE SPACE LOCATED IN BUILDING 200 AT 200 TRADEPORT BOULEVARD, CLAYTON COUNTY, GEORGIA, FOR THE RELOCATION OF THE SYSTEM MAINTENANCE OFFICE AND OCCUPANCY THEREOF BY THE FEDERAL AVIATION ADMINISTRATION, FOR A COST TO THE CITY NOT TO EXCEED \$3,758,100, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NO. 2H27 574001 R21E010493CG; AND FOR OTHER PURPOSES.**

**WHEREAS**, the City of Atlanta (the "City") and the Federal Aviation Administration (the "FAA") are parties to the Lease for the Air Traffic Control Tower (the "ATCT") site (the "ATCT Site") at Hartsfield Atlanta International Airport (the "ATCT Lease"); and

**WHEREAS**, the City has undertaken the design and construction of a new East International Terminal ("EIT") and related aircraft ramp, entrance roadway, and vehicle parking facilities, which project ultimately requires the surrender by the FAA to the City of all of the ATCT Site, upon completion and dedication of a new ATCT to replace the existing ATCT, which surrender will occur in phases; and

**WHEREAS**, at this time, the City and the FAA desire and intend to amend the ATCT Lease and memorialize the surrender of a portion of the ATCT Site needed for enabling the EIT project. That deletion will be accomplished under a companion legislation covering a Supplemental Agreement with the FAA and is contingent upon the execution of the Tradeport Lease contemplated hereunder; and

**WHEREAS**, the portion of the ATCT Site to be relinquished under the Supplemental Agreement contains an FAA facility known as the "System Maintenance Office" or "SMO" (formerly known as the "FAA Field Sector Office"), the taking of which and damages caused to the FAA must be mitigated and cured by the City by the provision of a facility with comparable capabilities for the remaining lease term of the supplemented ATCT Lease; and

**WHEREAS**, the City intends to execute a Lease Agreement between the City of Atlanta, as Lessee, and the First American Trust, as Lessor, (the "Tradeport Lease") covering the leasing by the City of approximately 12,390 rentable square feet located in Building 200, at 200 Tradeport Boulevard, Clayton County, Georgia (the "Tradeport Building"), for the relocation of the SMO and occupancy thereof by the FAA; which Tradeport Lease is the subject of this legislation; and

**WHEREAS**, the City, as Lessee under the Tradeport Lease, and the FAA, as Sublessee, also desire and intend to simultaneously enter into a Sublease Agreement, covering the use and occupancy of the Tradeport Building by the FAA as a replacement for the SMO (the "Tradeport Sublease"). The City and the FAA further intend to enter into a Reimbursable Agreement, as a companion to the Tradeport Sublease, covering the acquisition, installation and cost of FAA

requirements for use of the Tradeport Building under the Tradeport Sublease. The Tradeport Sublease and the Reimbursable Agreement will be accomplished under two separate companion legislations and are contingent upon the execution of the Tradeport Lease contemplated hereunder; and

**WHEREAS**, all of the foregoing actions and agreements are co-dependant and require the approval of this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA**, that the Mayor or her designee be and hereby is authorized to execute, on behalf of the City of Atlanta, a Lease Agreement between the City of Atlanta, as Lessee, and First American Trust, as Lessor, which shall contain substantially the following terms, conditions and provisions:

1. A term effective as of November 1, 2003 and ending October 31, 2013, with options for two consecutive five-year optional renewal terms;
2. Rentals under the Lease Agreement shall commence at \$10.50 per square foot per annum, escalating every year thereafter at the rate of 3%.
3. Rental shall include the base rent, taxes, insurance, CAM, maintenance of systems and general maintenance of office areas;
4. Rentals under the option terms shall be at the prevailing market rate as of the date of renewal;
5. The FAA, under the Tradeport Sublease, shall be responsible for the cost of utilities and janitorial expenses;
6. Such other terms, conditions and provisions as may be required by FAA, the City and the Lessor, or as are customarily included in similar commercial agreements.

**BE IT FURTHER RESOLVED** the Tradeport Lease will be at a cost to the City not-to-exceed Three Million, Seven-Hundred Fifty-Eight Thousand, One-Hundred Dollars (\$3,758,100) in the aggregate over a twenty-year period; and to be charged to and paid from Fund Account Center No. 2H27 574001 R21E010493CG.

**BE IT FURTHER RESOLVED** that the City Attorney be and hereby is directed to prepare said Lease Agreement for execution by the Mayor.

**BE IT FINALLY RESOLVED** that said Lease Agreement shall not become binding upon the City, and the City shall incur no obligation or liability thereunder until the same has been signed by the Mayor and delivered to the Landlord.